

"(A) that the appraisals of properties to be insured by the Federal Housing Administration shall be performed in accordance with generally accepted appraisal standards, such as the appraisal standards promulgated by the Appraisal Foundation, a not-for-profit corporation established on November 30, 1987 under the laws of Illinois; and

"(B) that each appraisal be a written statement used in connection with a real estate transaction that is independently an impartially prepared by a licensed or certified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by presentation and analysis of relevant market information.

"(2) The Appraisal Subcommittee of the Federal Financial Institutions Examination Council shall include the Secretary or his

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SEC. 143. ELIMINATION OF PRIVATE INVESTOR OWNERS FROM SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

(a) RETENTION OF PUBLIC AND NONPROFIT INVESTOR OWNERS.—Section 203(c)(3) of the National Housing Act is amended—

(1) in subparagraph (A), by striking the semicolon at the end and inserting the following: ", or any other State or local government or an agency thereof;" and

(2) in subparagraph (B), by striking the semicolon at the end and inserting the following: ", or other private nonprofit organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and intends to sell or lease the mortgaged property to low or moderate-income persons, as determined by the Secretary;"

(b) ELIMINATION OF PRIVATE INVESTOR OWNERS.—Section 203(g) of the National Housing Act, as amended by subsection (a), is further amended—

(3) by striking paragraph (2); and

(4) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(c) APPLICABILITY.—The amendments made

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(2) the approval of substitute
mortgages, if the original mort-
gage was subject to such amendments.

(d) TRANSITION PROVISIONS.—Any mortgage
insurance provided
under title n of the National Housing Act, as
it existed immediately
before the date of the enactment of this
Act, shall continue to be
governed (to the extent applicable) by the
provisions amended by
subsections (a) and (b) as such provisions
existed immediately before
such date.